

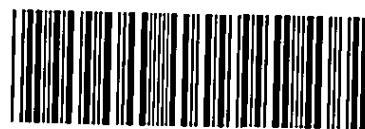
Teledyne Oil and Gas Limited (formerly Teledyne ODI Ltd and
Ocean Design Europe Limited)

Report and Accounts

31 December 2010

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COMPANIES HOUSE

Teledyne Oil and Gas Limited

Registered No 3646143

Directors

H Barnshaw
M Read
J Davis

Secretary

H Barnshaw

Auditors

Ernst & Young LLP
G1 Building
5 George Square
Glasgow
G2 1DY

Bankers

Royal Bank of Scotland plc
18 Ellon Road
Bridge of Don
Aberdeen
AB23 8EA

Solicitors

K&L Gates LLP
One New Change
London
EC4M 9AF

Registered Office

Units 26-28
Timberlaine Trading Estate
Decoy Road
Worthing
West Sussex
BN14 8ND

Directors' report

The directors present their report and accounts for the period ended 31 December 2010

Principal activity and review of the business

The company's principal activity during the period was the service, installation and repair of subsea connectors. The business, assets and liabilities were transferred to Teledyne Limited on 31 December 2010 for £ 1,824,833

Results and dividends

The profit for the period, after taxation, amounted to £ 378,772

The directors do not recommend a final ordinary dividend. The profit has been transferred to reserves

Future developments

As stated above, the business, assets and liabilities were transferred to Teledyne Limited during 2010 and the company ceased to trade. The Directors intend to wind the company up.

Key performance indicators

The company, which forms part of a larger Teledyne business for internal performance reporting, does not report its own KPI's

Directors and their interests

The directors of the company during the year ended 31 December 2010 were as follows

H Barnshaw

M Read

J Davis

No director had an interest in the share capital of the company

Directors Statement as to disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Going concern review

The company's assets, liabilities and business were transferred to Teledyne Limited during the year and the company has now ceased to trade.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the board



H Barnshaw

Secretary

29 Sept 2011

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Teledyne Oil and Gas Limited

We have audited the financial statements of Teledyne Oil and Gas Limited for the year ended 31 December 2010 which comprises the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Teledyne Oil and Gas Limited

**Independent auditors' report
to the members of Teledyne Oil and Gas Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Ernst & Young LLP

Walter B Campbell (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow

Date *30/9/2011*

Profit and loss account

for the year ended 31 December 2010

	Notes	2010 £	2009 £
Turnover	2	2,889,183	2,354,267
Cost of Sales		(1,382,108)	(1,008,736)
Gross profit		1,507,075	1,345,531
Administrative expenses		(267,816)	(286,591)
Selling and distribution expenses		(427,110)	(287,623)
Operating profit	3	812,149	771,317
Interest receivable	4	90	212
Interest payable	5	-	(179)
Profit on ordinary activities before taxation		812,239	771 350
Tax on profit on ordinary activities	7(a)	(433,467)	(11,229)
Profit retained for the financial period	14	378,772	760,121

Statement of total recognised gains and losses

for the period ended 31 December 2010

There are no recognised gains and losses other than the profit attributable to shareholders of the company of £378,772 in the period ended 31 December 2010 and profit of £760,121 in the period ended 31 December 2009

Balance sheet

at 31 December 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible assets	8	-	192,176
Current assets			
Stock	9	-	64,883
Debtors	10	1,824,833	1,174,157
Cash at bank and in hand		-	102,780
		1,824,833	1,341,820
Creditors amounts falling due within one year	11	-	(68,588)
Net current assets		1,824,833	1,273,232
Total assets less current liabilities		1,824,833	1,465,408
Provision for liabilities and charges	12	-	(19,347)
Total net assets		1,824,833	1,446,061
Capital and reserves			
Called up share capital	13/14	2	2
Profit and loss account	14	1,824,831	1,446,059
Equity shareholders' funds		1,824,833	1,446,061



H Barnshaw
Director

29th Sept 2011

Notes to the accounts

at 31 December 2010

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and are prepared in accordance with applicable accounting standards

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows

Plant and equipment - over 3 to 15 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Government Grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments

Grants of a revenue nature are credited to income in the period to which they relate

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the exception of deferred tax assets which are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Cash flow statement

The directors have relied upon the exemption provided within Financial Reporting Standard No 1 (Revised 1996) 'Cash Flow Statements' not to prepare a cash flow statement as the company is a wholly owned subsidiary undertaking of Teledyne Technologies Incorporated

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date

All differences are taken to the profit and loss account

Notes to the accounts

at 31 December 2010

1. Accounting policies (continued)

Leasing commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term

Pensions

The company operates a defined contribution group personal pension scheme. Contributions were charged to the profit and loss account as they became payable in accordance with the rules of the scheme.

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and relates to the continuing activity of the marketing, manufacture and distribution of group products.

An analysis of turnover by geographical market is given below

	2010 £	2009 £
United Kingdom	106,586	3,278
Europe	1,340,158	1,238,681
Rest of the World	1,442,439	1,112,308
	<u>2,889,183</u>	<u>2,354,267</u>

3. Operating profit

This is stated after charging/(crediting)

	2010 £	2009 £
Auditors' remuneration – audit	5,750	5,750
- tax	3,500	3,500
Depreciation of owned fixed assets	21,278	5,200
Operating lease rentals - land and buildings	19,800	19,800
Exchange losses /(gains)	(9,677)	49,684
	<u></u>	<u></u>

4. Interest receivable

	2010 £	2009 £
Bank interest	90	212
	<u></u>	<u></u>

5. Interest payable

	2010 £	2009 £
Other	-	179
	<u></u>	<u></u>

Notes to the accounts

at 31 December 2010

6. Directors' emoluments and staff costs

None of the Directors received remuneration from the company during the year (2009 nil)

One of the directors of the company is also a director of other Teledyne group companies in the United Kingdom. The director received total remuneration for the year of £145,896 (2009 - £150,611), all of which was paid by Teledyne Limited. The directors do not believe that it is practicable to apportion this amount over the other Teledyne group companies.

Two other directors do not perform any qualifying services to the group, therefore their emoluments are £nil (2009 - £nil)

	2010 £	2009 £
Staff costs		
Wages and salaries	581,607	444,036
Social security costs	67,935	57,068
Other pension costs	22,444	15,808
	<u>671,985</u>	<u>516,912</u>

The average weekly number of employees during the period was as follows

	2010 No	2009 No
Selling and distribution	3	3
Production	8	5
	<u>11</u>	<u>8</u>

7. Taxation

(a) Tax on profit on ordinary activities

	Notes	2010 £	2009 £
<i>Current Tax</i>			
UK Corporation tax		225,286	-
Tax under provided in previous periods		205,236	-
		<u>-</u>	<u>-</u>
Total current tax	7(b)	430,522	-
<i>Deferred tax</i>			
Origination and reversal of timing differences		2,945	11,229
		<u>-</u>	<u>-</u>
Tax on profit on ordinary activities		<u>433,467</u>	<u>11,229</u>

Notes to the accounts

at 31 December 2010

7. Taxation (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is different from the standard rate of corporation tax in the UK of 28%. The differences are reconciled below

	Notes	2010 £	2009 £
Profit on ordinary activities before tax		812,239	771,350
Profit on ordinary activities multiplied by standard rate of Corporation tax in the UK of 28%		227,426	215,978
Expenses not deductible for tax purposes		747	487
Accelerated /(Decelerated) capital allowances		(2,946)	(11,229)
Group relief received for nil payments		-	(205,236)
Other timing differences		59	-
Tax under/(over) provided in previous periods		205,236	-
Total current tax	7(a)	430,522	-

8. Tangible fixed assets

	Plant and equipment £
Cost	
At 1 January 2010	271,107
Additions	35,911
Transferred to Teledyne Ltd	(307,018)
At 31 December 2010	-
Depreciation	
At 1 January 2010	78,931
Provided during the year	21,278
Transferred to Teledyne Ltd	(100,209)
At 31 December 2010	-
Net book value	
At 31 December 2010	-
At 1 January 2010	192,176

Notes to the accounts

at 31 December 2010

9. Stocks

	2010	2009
	£	£
Raw materials	-	59,620
Work in progress	-	5,263
	<u>-</u>	<u>64,883</u>

10. Debtors

	2010	2009
	£	£
Trade debtors	-	143,619
Amounts owed by group undertakings	1,824,833	874,168
Prepayments and other debtors	-	19,305
VAT Recoverable	-	22,779
Corporation tax	-	114,286
	<u>1,824,833</u>	<u>1,174,157</u>

11. Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors	-	1,911
Other taxes and social security costs	-	19,168
Accruals and deferred income	-	47,509
	<u>-</u>	<u>68,588</u>

12. Provision for liabilities

	<i>Deferred Taxation</i>
	£
At 1 January 2010	19,347
Charged to profit and loss accounts	2,945
Transferred to Teledyne Ltd	(22,292)
At 31 December 2010	<u>-</u>

Notes to the accounts

at 31 December 2010

13. Equity share capital

	<i>Authorised 2010 and 2009 No</i>	<i>Allotted, called up and fully paid 2010 and 2009 No</i>
Ordinary Shares of £1 each	2	2

14. Reconciliation of equity shareholders' funds and movements on reserves

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total £</i>
At 1 January 2009	2	685,938	685,940
Profit for period	-	760,121	760,121
At 1 January 2010	2	1,446,059	1,446,061
Profit for period	-	378,772	378,772
At 31 December 2010	2	1,824,831	1,824,833

15. Pension commitments

The company operates defined contribution group personal pension schemes for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Contributions outstanding at the balance sheet date and included in accruals were £ nil (2009 - £ nil).

16. Other financial commitments

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>2010 Land and buildings £</i>	<i>2010 Other operating leases £</i>	<i>2009 Land and buildings £</i>	<i>2009 Other operating leases £</i>
Operating leases which expire				
Within one year	-		19,800	
	-		19,800	

Notes to the accounts

at 31 December 2010

17. Ultimate parent undertaking and related parties

The company's immediate and ultimate parent undertaking and controlling party is Teledyne Technologies Incorporated. It has included the company in its group accounts, which is the smallest and largest group for which group accounts are available. Copies of the Teledyne Technologies Incorporated, a company incorporated in the United States of America, accounts are available from its registered office 1049 Camino Dos Rios, Thousand Oaks, CA 91360.

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 from disclosing transactions with related parties that are part of the Teledyne group or investees of the group.